

**DNR testimony on SB 107: Disposal, collection and recycling of discarded electronic devices
Senate Committee on Environment and Natural Resources, April 14, 2009**

Thank you for the opportunity to testify today in support of SB 107 relating to the disposal, collection and recycling of electronic devices. My name is Suzanne Bangert and I am the Deputy Administrator of the Division of Air and Waste at the Department of Natural Resources. I am here today with Cynthia Moore, the department's Recycling Coordinator.

The department supports a state program for the collection and recycling of consumer discarded electronic devices that is comprehensive, fair and does not impose an undue burden on state or local governments and taxpayers. This bill, an updated version of SB 397, achieves that objective in a way that provides maximum flexibility to key stakeholders, contributes to the growth and health of our state's economy, and prolongs the life and enhances the safety of our landfills.

I'd like to highlight some of the reasons the department believes this bill is good for Wisconsin.

1. Electronics are a rapidly growing and problematic waste stream, containing materials that are both valuable and potentially toxic to humans if not handled properly. For the first time, Wisconsin will have a comprehensive infrastructure for recycling household electronic devices, allowing us to recover valuable natural resources and avoid environmental pollution.

2. This bill requires shared responsibility among manufacturers, recyclers, collectors, retailers, local governments, the department and the consumer, for managing discarded electronics. Such an approach will relieve local governments from the burden of shouldering the costs of coordinating collection events and arranging for responsible recycling. It encourages innovative and collaborative efforts to organize and promote the collection of household electronic devices for recycling while minimizing state administrative costs.

3. This bill offers consistency with electronics recycling programs in Minnesota and Illinois, and with new legislation adopted or proposed in other states. Interstate consistency:

- lets manufacturers achieve economies of scale due to similar rules and requirements; and
- allows recyclers to follow the same procedures in multiple states, including bidding, contract procedures, compliance and performance tracking.

4. This bill makes good economic sense for Wisconsin. Based on the experience in other states, its benefits will include the following:

- Encourage the growth of electronics collection and recycling businesses in Wisconsin, creating new jobs and adding to state and local tax revenues. At least 40 recycling companies have registered under Minnesota's program.
- Lower electronics recycling collection costs for local governments. For example, the city of Milwaukee has spent up to \$100,000 a year on these collection programs. Under this bill, at least some of these costs would be assumed by manufacturers.
- Make available convenient and low-cost recycling options for households. Based on the experience in Minnesota, we expect that electronics recycling collections will be available in many more Wisconsin counties and communities.

5. This bill supports Governor Doyle's commitment to save energy and reduce greenhouse gas emissions. Recovering metals such as copper, gold, lead and steel from electronics reduces the need for new mines and saves energy during manufacturing processes. Reusing and recycling computers instead of landfilling them reduces greenhouse gas emissions.

Although this bill will not be effective by the new June, 2009 digital television transition, it could put a system in place by early fall to handle the large volume of discarded televisions.

This bill delegates responsibility for program administration to the department. We will incur costs to implement the program, although the majority of these costs would be offset by revenues from manufacturer registration. The department is committed to ensuring that this important program is implemented efficiently, effectively and fairly.

We commend the sponsors of this proposed bill for developing an innovative strategy to manage electronic waste in a cost-effective and efficient manner that should also encourage the development of new jobs and businesses. We support this bill and offer our services in working out the details of program implementation.

Cynthia and I are happy to take questions.

Testimony in Support of Senate Bill 107 – Electronics Recycling

Senate Environmental Committee Hearing

Presented by Neil Peters-Michaud

CEO, Cascade Asset Management

April 14, 2009

Thank you Senator Miller, and other Members of this committee, for considering the issue of Electronics Recycling. The problem of dumping TVs and computers in landfills and in developing countries is not resolving itself – Wisconsin needs this legislation.

My company collects and recycles electronics from businesses and individuals served by municipal collection programs. We've seen a dramatic increase in the demand for responsible recycling. In the City of Madison, we used to conduct semi-annual collection events for households. In 2007, over 250,000 pounds were collected from about 2,500 households. In 2008, with the switch to two permanent drop-off sites in the City of Madison, the volume of e-scrap turned in by households nearly doubled to 460,000 pounds.

But this is just the tip of the iceberg. We know there are plenty more electronics out there otherwise being stockpiled in basements, buried in local landfills, or shipped out of state and around the world where their toxic elements are likely to be handled improperly, putting people and the environment at risk.

This legislation is important because (1) it will increase access to responsible recycling for individuals; (2) it bans households from disposing the same toxic electronics that businesses have been restricted from landfilling for decades; (3) it protects the state from unscrupulous recyclers, and; (4) it shifts the burden of recycling from the taxpayer to the manufacturer and the consumer. I'd like to speak to each of these points briefly.

(1) Previously, there was a concern about the availability of an infrastructure to meet the growing demand for electronics recycling. In the past several years, a significant number of new companies have emerged in the state and region to increase recycling capacity. Trade groups and certifying bodies provide useful guidance and tools to aid in the development and expansion of e-scrap businesses. The nature of this industry is one in which capacity is often limited by staffing for production and not by large capital equipment. By passing this legislation, you will foster investment and growth of businesses in Wisconsin as we prepare for the known increase in volumes of electronics to recycle. In every other state where electronics legislation has passed, collectors and processors have increased the availability and choice to individuals looking to recycle. Today, more than ever, we need to create more jobs and develop new markets for Wisconsin commodities – and this legislation will foster this type of growth in relatively short order.

(2) This legislation also makes Wisconsin's disposal policy fair. Under federal hazardous waste rules, businesses were not allowed to dispose of most electronics in Wisconsin landfills for decades. The lead solder on circuit boards, mercury lamps in laptops, and cadmium in video phosphor powders turn electronics into a hazardous waste when disposed. But

individuals have been allowed to throw these same toxic elements into our dumps. By enacting an across the board landfill ban on specific electronic devices, we treat all hazardous waste the same. We also help to clarify what can and cannot be recycled, which will reduce ambiguity around this issue and improve recovery rates.

(3) I am very pleased to see this round of legislation including some additional requirements of recyclers. As a member of this industry, it is important to me that all recyclers who offer services to the state meet basic standards that protect the health of their workers, reduce liability and risk to the customers they serve, and promote a healthy environment. While I think these standards could go further, they are an important first step. One important requirement in the legislation that should not go unnoticed in this day and age is the need to have a financial assurance program in place in the event a recycling firm closes. When the economy took a nose dive last fall, recyclable commodity prices dropped precipitously. I am aware of several large recyclers that went bankrupt or shuttered their doors and left warehouses of unprocessed electronics for their state to deal with. If Wisconsin is to endorse the use of certain recyclers through this program, it must ensure protections are established so that the state is not liable for recyclers who go out of business, pollute the environment, harm their workers, or dump electronics improperly. Adequate funding and support of the DNR to provide continual monitoring of recyclers and their protection programs is essential to the long term viability of this program.

(4) Finally, this legislation helps to ease taxpayer subsidies which pay for recycling programs and electronic waste clean-up that *should* be borne by the manufacturer of those products and the consumers who purchase those products. We've seen in Madison, where people are asked to pay to recycle their own electronics, that consumers are willing to pay to ensure their computers and TVs are disposed properly. But the pay as you throw model limits the opportunity for capturing electronics from the general public. There are free riders in this system. Those people enjoy their electronic gadgets and toss them in the trash with little regard for the externalized costs of their action. By essentially embedding recycling costs in the purchase price of consumer electronics, this legislation will fairly distribute the total life cycle cost to the consumer of that product while creating incentives for manufacturers to improve the environmental performance of their product. People take greater care of their goods when they bear the full extent of their costs.

In closing, Senate Bill 107 is good for Wisconsin. It protects the environment, supports business growth, and reduces taxpayer costs. The bill has evolved over the years and has been improved by understanding the impact of other state e-scraper laws. My company, and I personally, strongly encourage your support of this bill and urge a speedy "Yes" vote through the committee and out on the floor so that we can get working with our industry colleagues, manufacturers, municipalities and the DNR to successfully implement this law. Thank you.



Information Technology Industry Council
Leading Policy for the Innovation Economy

April 14, 2009

Honorable Mark Miller, Chairman
Senate Committee on Environment
300 Southeast
State Capitol
Madison, WI 53707

RE: SB 107 on Electronics Recycling

Dear Chairman Miller and Members of the Committee:

Thank you for the opportunity to present testimony on behalf of electronics manufacturers on the important issue of electronics recycling. The Information Technology Industry Council (ITI) represents numerous major manufacturers of information technology and consumer electronics devices that would be subject to the electronics recycling program proposed under SB 107.

ITI and our members support the public policy objectives of this legislation, and are willing to step forward to help develop and implement sensible and cost-effective producer responsibility solutions in Wisconsin. As manufacturers of these devices, we believe it is important to acknowledge that we have a key role to play in the dialogue and that we are ready to work with government officials and other stakeholders to craft an effective policy.

We have some serious concerns with the current proposed approach, however, and would like to propose a reasonable and measured alternative approach designed to phase-in an environmentally-sound and effective electronics recycling infrastructure for the benefit of state residents. Such a system must be fair, cost-effective and market-based; rely on state-specific data and consider existing state infrastructure; avoid unreasonable mandates and associated penalties; and, be regularly evaluated and modified based on state-specific results.

Industry Job Losses and Economic Conditions

Our primary concerns with the current version of the bill center around the performance mandates and associated penalties, and the direct, immediate and negative impacts these mandates will have on our companies. As with every other business sector, the electronics industry has been struggling in a difficult economy. Our collective membership has already cut tens of thousands of jobs during the current economic downturn. Costly and arbitrary regulatory mandates will force our members to eliminate additional jobs. In general, for every \$75,000 in additional regulatory costs that our companies incur in this economy, they must eliminate one additional job.

As part of our testimony, we have provided a document that catalogs numerous public announcements of job losses plant closings and market losses in our industry just from the past

few months. Overall, the high tech industry employees over 85,000 people in Wisconsin, primarily in jobs that pay significantly above the private sector average in the state. The last challenge that our industry and the people it employs can endure during these difficult economic times are new and expensive regulatory requirements. Now is the time to work on cooperative and market-based solutions that achieve and build measurable results.

Limitations of the Minnesota Model

SB 107 is largely based on a new law in Minnesota that is unique in the country. Only the New York City law, which has yet to be implemented, is even similar to it; the other states in the Midwest that have already acted or are considering action are taking far different approaches:

- Illinois enacted a law last year that establishes a far more reasonable initial goal of 2.5 pounds per capita. There are no penalties for the first two program years, and the recycling goal adjusts based on actual documented collection rates in the state.
- Michigan's law, also enacted last year, requires all manufacturers of covered devices to offer programs to state residents and publicly report their results. There are no quantitative goals and no penalties.
- Indiana is considering electronics recycling legislation in the current legislative session. The Indiana Legislature considered the Minnesota model, but just amended the approach to institute a two-year delay for any penalties, lower the quantitative targets and provide for an appeals process in case the targets proved infeasible. The bill is still pending.

There are several other key factual, economic and legal reasons why the Minnesota approach is problematic:

1. **The Minnesota program mandates are arbitrary, punitive and unsupported by data.** There are no data that demonstrate that manufacturers can cost-effectively and consistently collect 80% of the weight of their sales of covered devices in perpetuity. Minnesota established high mandates and costly penalties in the absence of reliable data on statewide recycling capabilities and expectations. Moreover, the statute automatically and significantly increased those numbers in year two before program data from the initial year had even been evaluated. Government should base policy decisions on facts, data and documented results.
2. **Program mandates and penalties raise significant legal concerns.** First and foremost, these devices are private property. We cannot compel citizens to turn them in at all, let alone according to some statutory schedule. Yet, manufacturers are exposed to major financial penalties if we are unable to satisfy excessive performance mandates. Penalizing manufacturers for the actions (or inactions) of third parties raises significant legal and constitutional concerns.
3. **Manufacturers will either be forced to pass excessive costs down to consumers, or cut jobs.** Manufacturers rely on a national network of wholesalers, distributors and retailers to transport (often across state lines), distribute, market and sell our products to consumers. While there are numerous other commercial entities that are essential to - and benefit from - the sale of our products, the Minnesota approach directs manufacturers alone to resolve the entire challenge. Since manufacturers have little to no direct

distribution capabilities, we must rely on third parties to collect used devices. Arbitrary program measures, backed by the threat of steep penalties, make us a captive market for those third party business interests. Experience in other states already demonstrates that non-market approaches result in manufacturers paying artificially inflated costs that must either be passed on to consumers or result in forced job cuts.

4. **The Minnesota program results are not relevant for Wisconsin.** The Minnesota law has generated only a single year of data. The relatively high first-year totals in Minnesota are skewed because the state grossly overestimated what manufacturers would need to recycle to avoid severe penalties. Furthermore, major metropolitan areas in Minnesota have been developing electronics collection infrastructure since the early 1990s and were able to assist manufacturers in meeting their recycling requirements. One year of data in Minnesota is not indicative of achievable long-term recycling rates in Minnesota, and has no bearing on potential recycling rates in Wisconsin. ITI estimates that manufacturers spent more than \$9 million complying in Minnesota in the first program year; additional costly government mandates will severely impact our ability to avoid further job cuts.

MANUFACTURER PROPOSAL

Due to these facts, and considering the current state of the economy, we urge you to consider how another costly program may impact manufacturers and, in turn, employees and consumers in the state of Wisconsin. We also note that numerous major manufacturers already operate voluntary programs that meet or exceed all applicable environmental requirements.

Manufacturers are proposing a reasonable alternative to the program measures contained in the bill. The manufacturer proposal is fair, cost-effective and market-based; relies on state-specific data and considers existing state infrastructure; avoids unreasonable mandates and associated penalties; and, provides for program evaluation and modification based on actual results. Importantly, our proposal also provides for a gradual expansion as necessary recycling infrastructure is developed in Wisconsin.

Under our approach, every manufacturer of covered devices sold in the state would be required to operate an environmentally-sound electronics recycling program in Wisconsin and publicly report its results. The actual volume of devices collected in one year would be used to establish the recycling goal for the subsequent year. In this fashion, the program measures are based on what is demonstrable and achievable in Wisconsin, and reflect what Wisconsin residents actually make available for recycling. Manufacturers must operate programs, but are not subject to penalties if third parties do not participate at some government-prescribed level.

This solution is fair, transparent and measurable and can be phased in over time along with the growth of necessary electronics recycling infrastructure in Wisconsin. Our proposal also builds in periodic state reviews to evaluate the results and make any modifications to ensure the program is achieving its public policy goals.

Thank you again for considering our input on this important matter. Please contact Rick Goss, ITI Vice President of Environment & Sustainability, at rgoss@itic.org or 202-626-5724 if we can provide any additional information.



Information Technology Industry Council
Leading Policy for the Innovation Economy

IT Industry Struggles Through 1st Quarter

Due to the economic situation around the globe, massive job losses have occurred throughout the IT industry since the beginning of 2009. Now the industry is struggling and additional regulatory burdens in the form of financial obligations and the like will result in consequences that will be extremely detrimental to the IT industry as a whole. As shown by the following headlines, enacting such onerous proposals will have an even greater negative fiscal impact on the industry.

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Motorola to Cut 4,000 More Jobs, As Cellphone Sales Collapse by Half

WALL STREET JOURNAL, JANUARY 15, 2009

Microsoft to Cut Up to 5,000 Jobs

WALL STREET JOURNAL, JANUARY 23, 2009

Lexmark profit shrinks as printer sales dip

REUTERS, JANUARY 27, 2009

Philips to Cut 6,000 Jobs After Swinging to a Loss

WALL STREET JOURNAL, JANUARY 27, 2009

Toshiba to cut costs by \$3.3 billion amid record loss

REUTERS, JANUARY 29, 2009

Sony Net Plunged 95% in Quarter

WALL STREET JOURNAL, JANUARY 30, 2009

Hitachi will eliminate 7,000 jobs

WALL STREET JOURNAL, FEBRUARY 2, 2009

Panasonic warns of \$4.2 billion loss, to cut 15,000 jobs

REUTERS, FEBRUARY 4, 2009

Sharp Q3 in red, sees first ever annual loss, To cut 1,500 workers

REUTERS, FEBRUARY 6, 2009

Nokia to Cut Production, Close R&D Site

WALL STREET JOURNAL, FEBRUARY 11, 2009

Pioneer Unplugs Its TV Business, Electronics Maker to Close Division

WALL STREET JOURNAL, FEBRUARY 13, 2009



Information Technology Industry Council
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Tech Layoffs Surge to 300,000

TECHCRUNCH.COM, FEBRUARY 17, 2009

Economy Strains Under Weight of Unsold Items

WASHINGTON POST, FEBRUARY 17, 2009

Nokia and Vodafone Move to Pare Jobs

WALL STREET JOURNAL, FEBRUARY 25, 2009

Dell's Profit Plunges 48%; Firm Plans Further Cuts

WALL STREET JOURNAL, FEBRUARY 27, 2009

Nokia to cut 1,700 jobs in sinking phone market

REUTERS, MARCH 17, 2009

Xerox cuts 1Q view nearly 80 percent, stock falls

BUSINESS WEEK, MARCH 20, 2009

IBM to lay off 5,000 US-based workers

BUSINESS WEEK, MARCH 25, 2009

Kodak closing 2 divisions in Windsor

ASSOCIATED PRESS, MARCH 25, 2009

Agilent to Cut 2,700 More Jobs

WALL STREET JOURNAL, MARCH 27, 2009

Tech Layoffs for Q1 2009: Mixed Signals

INDUSTRY.BNET.COM, APRIL 1, 2009



John Muir Chapter

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April 14, 2009

MEMO

TO: Senate Environment Committee

FROM: Jim Connors and Eric Uram, Sierra Club- John Muir Chapter

RE: SB 107 - Relating to: the sale, disposal, collection, and recycling of electronic devices, granting rule-making authority, making an appropriation, and providing penalties.

Thank you for the opportunity to testify on this important and precedent-setting initiative. The John Muir Chapter Sierra Club has about 15,000 members. Our members, as Wisconsin residents and taxpayers, through their local governments, spend millions of dollars annually to manage products banned from landfilling as well as those headed to be buried forever in landfills. We support SB 107 and the associated goals it will help achieve.

Waste generation over the years has grown with population and economic growth. While Wisconsin has made enormous advances in recycling, we throw away about the same amount of trash today as we did 20 years ago. Programs that address product recycling promote innovative product design and management. This will result in less waste generation and more easily recycled products that support a healthy environment, vibrant economy and reduce society's overall costs.

SB 107 will increase recycling – recycling a ton of so-called “waste” has twice the economic impact of burying it in the ground and prevents the environmental pollution and liability issues associated with their disposal.

This, in turn, will reap environmental benefits – by diverting surplus electronic materials from landfills. This will result in:

- Reduced toxic air and emissions water releases – using existing resources rather than virgin materials reduces the associated pollution created from mining, refining and transporting raw materials.
- Reduced toxic product components – increasing the responsibility of manufacturers to address the end-of-life of their products encourages more thoughtful design.
- Increased energy efficiency – recycling rather than disposal will result in significant energy savings.

SB 107 will also create a level playing field in Wisconsin – relieving residents and businesses of having to comply with a patchwork of local regulations and ordinances implemented in response to rising disposal costs and related liability issues.

SB 107 will help protect and conserve resources – by helping create markets for recycled materials. This bill can protect the sensitive regions where resource extraction conflicts with other environmental priorities including protecting existing air and water quality or high-value biologic or aesthetic aspects.

SB 107 will help protect the economy – by directly connecting manufacturers to the recycling markets. This bill will help stabilize prices for recycled materials and enhance their use in future design and production.



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MEMORANDUM

TO: Honorable Members of the Senate Committee on Environment

FROM: Monica Groves Batiza, Legislative Associate *MGB*

DATE: April 14, 2009

SUBJECT: Support for Senate Bill 107

The Wisconsin Counties Association (WCA) supports Senate Bill 107 (SB 107), relating to the sale, disposal, collection, and recycling of electronic devices. We appreciate the time and effort that Senator Miller has given to this legislation, and for the opportunity to participate in the ongoing discussions about the draft that is before you today.

When Governor Doyle created the Governor's Task Force on Waste Materials Recovery and Disposal in 2005, four of the 19 members were county waste management representatives. Over the last several years, their participation and review of the recommendations set forth in the final report ensured that Wisconsin counties' concerns and ideas were included.

Electronic waste is the fastest growing component of waste generated in the United States today. The disposal of electronic equipment at the end of its service life poses significant health hazards if not done carefully. Health hazards include calcium, lead, mercury, chromium and brominated flame retardants. In Wisconsin, an estimated 10,000 tons of computer monitors and 24,000 tons of televisions were land filled in 2002. County solid waste employees have been concerned about these issues for some time and have organized educational opportunities for their members. In addition, they strongly supported this legislation last session.

Thank you for considering my comments. I would be happy to answer any questions that you might have.



WMC

WISCONSIN'S BUSINESS VOICE

TO: Senate Committee on Environment

FROM: Scott Manley, Environmental Policy Director

DATE: April 14, 2009

RE: Senate Bill 107 - Electronic Waste Recycling

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to provide input on Senate Bill 107, which would require end-of-life recycling of printers and certain electronic products containing a video display.

WMC is the state's largest business trade association, with over 4,000 members in the manufacturing, service, health care, retail, energy, banking, insurance and other service sectors of our economy. WMC is dedicated to making Wisconsin the most competitive state to do business in the nation, and toward that goal, we support consistent, cost-effective and market-driven regulatory approaches that recognize a balance between environmental protection and the competitiveness of Wisconsin's jobs and economy.

As a general matter, WMC supports the goal of diverting electronic goods from Wisconsin landfills, and supports the recycling and beneficial reuse of consumer products to the extent it is cost-effective to do so. With that in mind, we respectfully request the Committee's consideration of a number of minor changes to Senate Bill 107 that will clarify the applicability of the bill without compromising the intent of the authors.

The primary regulatory responsibility associated with Senate Bill 107 falls upon manufacturers of "covered electronic devices," which are defined under the bill as consumer video display devices, consumer printers and consumer computers. The manner in which "manufacturer" is defined under the bill is therefore critical to determining who incurs a regulatory responsibility to recycle these types of devices.

The bill's current definition of "manufacturer" is overly broad, such that businesses who do not manufacture televisions, for example, will be regulated simply because they have licensed their brand to another company. In this case, the bill assigns a regulatory responsibility to two companies for the manufacture of one television (the company that licensed its brand, and the company that actually manufactures the television). The resulting "double counting" will skew the tonnage fees assessed under the bill, and likely result in shortfall fees for one or both companies.

We do not believe the authors' intent with respect to this bill is to require companies to recycle televisions which they do not make or sell. We therefore respectfully request that the Committee consider an amendment to the bill that would revise the definition of "manufacturer" to account for situations where a business licenses their brand to another

company to manufacture covered electronic devices , and assigns, under contract, the responsibility for end-of-life recycling requirements to the other manufacturer.

There is precedent in other states for the approach which allows brand licensors to contractually assign end-of-life recycling obligations to another company. For example, there are currently 17 states that have adopted an electronic waste recycling mandate, including 11 states which specifically included assumption of liability language in their law. In addition, Maine is currently considering an electronic waste law that allows for the assignment of regulatory liability.

In order to help clarify the applicability of other provisions in the bill, we respectfully request that you also consider amending the definition of "Consumer video display device" to specifically exclude non-household items such as diagnostic, monitoring, medical products, security and anti-terrorism equipment. Finally we ask that you amend the definition of "Sell" to exclude leasing and financing. I have attached a copy of suggested language to accomplish these changes for your review.

Thank you for your thoughtful consideration of our concerns with respect to the recycling of electronic goods as proposed by Senate Bill 107. Please feel free to contact me if you have any questions, or if I can provide you with additional information, at (608) 258-3400 or smanley@wmc.org.

Proposed Changes to Senate Bill 107

Recycling of Electronic Devices

Section 6. 287.17(1)(em)

(em) "Consumer video display device" means a television or computer monitor with a tube or screen that is at least 4 inches in its longest diagonal measurement and that is marketed by the manufacturer for use by households, except that "consumer video display device" does not include any of the following:

1. A television or computer monitor that is part of a motor vehicle and that is incorporated into the motor vehicle by, or for, a motor vehicle manufacturer or a franchised motor vehicle dealer.

2. A television or computer monitor that is contained within a clothes washer, clothes dryer, refrigerator, freezer, microwave oven, conventional oven or stove, dishwasher, room air conditioner, dehumidifier, or air purifier.

3. A television or computer monitor that is functionally or physically a part of, or connected to, or integrated within equipment or a system designed and intended for use in an industrial, governmental, commercial, research and development, or medical setting, including but not limited to diagnostic, monitoring, control or medical products (as defined under the Federal Food, Drug, and Cosmetic Act), or equipment used for security, sensing, monitoring, anti-terrorism, emergency services purposes or equipment designed and intended primarily for use by professional users.

Section 6. 287.17(1)(i)

(i) "Manufacturer" means a person who does any of the following:

1. Manufactures covered electronic devices to be sold under the person's own brand.

2. Sells covered electronic devices manufactured by others under the person's own brand.

3. ~~Licenses the person's brand for manufacture and sale of covered electronic devices by others.~~ Sells or manufactures covered electronic devices under a brand licensed to the person.

4. Assumes the responsibilities and obligations of a Television Manufacturer under this section.

Section 6. 287.17(1)(o)

(o) "Sell" means to transfer title or right to use for consideration but does not mean leasing or financing.



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www.WisconsinEnvironment.org

Senate Environment Committee

Chair Senator Mark Miller
Room 317 East
State Capitol
P.O. Box 7882
Madison, WI 53707-7882

April 14, 2009

Dear Senator Miller and Committee members,

On behalf of Wisconsin Environment, and our 10,000 members and activists, I would like to thank you for the opportunity to voice our strong support for SB107.

We all know recycling is important. Every day, most of us recycle a can, bottle or newspaper. But what the heck do you do with that old TV or computer? Unfortunately, thousands of televisions, computers and other electronic devices end up in landfills every year. This equipment contains toxic chemicals like lead, mercury and cadmium that can pollute our drinking water and threaten public health, as well as valuable materials that can be re-used in new products.

Right now we have an extremely limited patchwork of public and private programs that cannot deal with the growing problem of electronic waste. Over the last two weeks, Wisconsin Environment completed a county by county survey to assess current recycling programs. The results are striking. Not only is electronic waste recycling extremely limited, the proposed budget cuts to the state's Clean Sweep program, will make it worse.

Our survey found that:

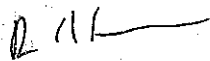
- Only 25% of Wisconsin counties offer year-round electronic waste recycling;
- E-waste recycling is particularly limited in rural communities. For instance, residents of Ashland County that live outside of the city are advised to take e-waste to Duluth, MN. This means that if you live in Ashland County, recycling one television requires a 4-5 hour round trip, costing \$40-\$50 with the disposal fee and gas;
- E-waste recycling is limited in some urban areas as well. Kenosha County for instance has no public or private electronic waste recycling program;

- County officials confirmed that thousands of televisions and computers are ending up in landfills;
- County officials expressed significant concern that budget cuts to the state's Clean Sweep program will force them to cancel current recycling programs.

When it comes to recycling, Wisconsin has always been a leader. Senate Bill 107 provides us with an opportunity to update our recycling program for the products we use, prevent harmful materials from ending up in landfills, and re-use valuable materials to manufacture new products. It serves the public interest by requiring electronic manufacturers to fund the program, and it has been shown to be successful in other states.

Wisconsin Environment strongly supports Senate Bill 107 and encourages your support.

Sincerely,



Dan Kohler

Wisconsin Environment Director



Department of Public Works
Environmental Services
Sanitation & Forestry
"Clean & Green"

Jeffrey J. Mantes
Commissioner of Public Works

James P. Purko
Director of Operations

Preston D. Cole
Environmental Services Superintendent

Senate Committee on Environment
April 14, 2009

Testimony on Senate Bill 107:
Electronics Recycling Legislation

Thank you Chairman Miller and committee members for the opportunity to testify on the behalf of the City of Milwaukee. The City of Milwaukee strongly supports Senate Bill 107, and we urge its swift passage in this session. Mayor Tom Barrett created the Milwaukee Green Team in 2005 to develop a comprehensive plan for environmental sustainability and to advocate for legislation such as this electronics recycling bill. A greener and cleaner Milwaukee is our goal, and with the passage of this bill we will be one step closer to that goal. We applaud Senator Miller and all the cosponsors for their work to provide an effective solution to a growing solid waste management problem.

End-of-life consumer electronics, or e-scrap, makes up the fastest growing segment of the municipal solid waste stream. If improperly disposed, the discarded electronics pose a potential threat to human health and the environment due to the hazardous materials they often contain. Responsibly recycling electronics prevents the release of these hazards to the air and water. Recycling e-scrap also recovers valuable resources for economic use and provides multiple environmental benefits, conserving natural resources and energy. The public good clearly benefits from the recycling of discarded consumer electronics, and SB107 is exactly what the state of Wisconsin needs to make it possible for e-scrap recovery and recycling to flourish here as it has in the states that have passed similar legislation in recent years.


SB107 provides a flexible, market-driven approach that is practical, fair, and effective. Without such a producer responsibility system to manage end-of-life electronics in Wisconsin, the current model relies on progressive municipalities and concerned individuals to carry the full financial burden of recycling electronics. This has proven to be both unsustainable and inadequate in light of the growing volumes of discarded electronics going to landfills. SB107 appropriately shifts some of the responsibility for managing e-scrap onto the manufacturers of the products, internalizing more of the true costs of the products and allowing a feedback loop for the free market system to operate more efficiently.

Just when the demand for recycling consumer electronics is at its highest to date, municipal budget shortfalls impede the development of new recycling programs and threaten to derail those that now exist. The City of Milwaukee's successful collection programs are now in serious jeopardy. For several years we have offered residents the opportunity to recycle their discarded computers by accepting them at our two permanent drop-off sites. We have also conducted one-day collection events in 2008 and 2009 to allow opportunities to recycle televisions and other electronics that for budgetary reasons are not accepted in our regular program. We contract with a reputable Wisconsin-based electronics recycling company for the proper recycling of these materials, and that costs money. From 2006 - 2008 we collected and recycled over 1.35 million pounds of e-scrap from the public at a cost of about \$300,000. Our single largest collection effort came in 2009, when on March 14th we collected 248,000 pounds of electronics in less than five hours time at the Wisconsin State Fair Park. The tremendous turnout illustrates the need for increased opportunities to recycle consumer electronics. Without passage of SB107, the City of Milwaukee likely will reduce or even abandon its e-scrap collection programs in order to fund more essential city services.

It is under this context that the City of Milwaukee strongly urges swift passage of SB107 in the current legislative session. Local governments and individuals cannot continue to carry the full financial burden of responsibly managing industry's products. SB107's producer responsibility funding mechanism will position the public and private sectors to work together to meet the growing challenge of safely managing end-of-life electronics. Thank you for your consideration of this important legislation.

For more information, please contact:

Rick Meyers, Recycling Specialist, City of Milwaukee Department of Public Works
(414) 286-2334 or rick.meyers@milwaukee.gov

Sponsor: Nike ReUse A Shoe Program 
Room 619, Frank P. Zeidler Municipal Building, 841 N. Broadway, Milwaukee, Wisconsin 53202.
Phone (414) 286-City (2489) Fax (414) 286-8097



122 State Street, Suite 200, Madison, Wisconsin 53703-2500

Telephone: 608.251.7020 Fax: 608.251.1655

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(Formerly Wisconsin's Environmental Decade)

**Testimony on Senate Bill 107 – Electronic Waste
Amber Meyer Smith, Clean Wisconsin Program Director
4/14/09**

Clean Wisconsin is a statewide environmental organization founded as Wisconsin's Environmental Decade with 10,000 members across the state. We focus on clean air, clean energy and clean water issues, and will celebrate our 40th anniversary in 2010.

Clean Wisconsin applauds the introduction of Senate Bill 107. Wisconsinites increasingly want to be part of the solution in addressing their environmental impact, and they need assistance when making the small every day decisions on recycling that have a huge impact when considered as a whole. I bet every single person in this room has wondered at some point what they should be doing with that old computer sitting in their garage or basement – people need easier access to recycling options that will result in greater electronics recycling and less toxins in our landfills.

The producer responsibility method works. We're pleased to see that SB 107 is patterned after the producer responsibility-based electronic waste laws in Minnesota, but has worked out the kinks their system encountered. Learning from Minnesota's experience will make Wisconsin's law that much stronger.

Wisconsin has made significant progress towards recycling in the last several decades. Citizens have come to expect recycling to be an option for their discarded materials, and they clearly see the problems with dumping environmentally hazardous materials in landfills. Currently, less than 10 percent of electronic waste is recycled properly. If the U.S. recycled all of its electronic waste, 20 million tons of e-waste would be diverted from U.S. landfills.

Clean Wisconsin has long been an advocate for reducing the presence of mercury in the ground, air and water. In addition to mercury, electronics often contain cadmium, lead, chromium and bromated flame retardants which also pose a serious risk to human and environmental health. In fact, electronic waste is the only waste stream that contains all eight of the most hazardous metals listed in the Resource Conservation and Recovery Act. Our state has made great strides in reducing mercury, and this bill is another positive step forward.

At Clean Wisconsin we are walking the talk. In February, our offices recycled almost 400 pounds of broken and outdated computers, monitors, floppy disks, printers, cords, CD-ROMs and other various electronic devices using the services of Applied Tech and File 13.

Clean Wisconsin urges passage of Senate Bill 107, and thanks you for your consideration.



WASTE MANAGEMENT

W132 N10487 Grant Road
Germantown, Wisconsin 53022

April 14, 2009

TO: Senator Mark Miller, Chairman and the Members of
the Senate Environment Committee

FR: Lynn Morgan and Greg Hubbard on behalf of Waste Management

IN FAVOR OF SB 107 and ELECTRONICS RECYCLING

On behalf of Waste Management, thank you for considering this testimony in favor of creation of a statewide electronics recycling program.

Waste Management, through its subsidiary WM Recycle America, collects and recycles electronics throughout the United States. WM Recycle America has recycled millions of pounds of e-waste over last 10 years – over 10 million pounds in MN alone in 2008. In Wisconsin, citizens can bring used electronics to our recycling depots in Chippewa Falls, Janesville, Madison, Menasha, Osceola and Superior, or use our mail-in service.

These services are popular, but only begin to meet residents' need to recycle discarded electronics. We estimate Wisconsin citizens will recycle about 35 million pounds of electronics in the first year of the program if recycling is free and convenient, based on experience in other states.

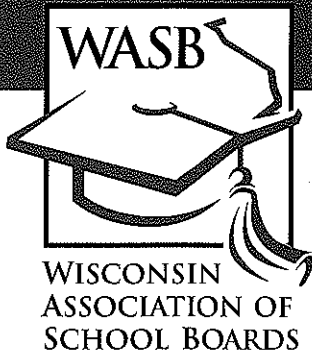
Among the 18 states that have enacted e-cycling laws, there are a variety of successful approaches to organizing and funding these programs. Whichever model the state pursues, our interest is in ensuring that recyclers operate in a competitive and sustainable marketplace in which they are required to meet rigorous environmental and worker safety standards. We are grateful for the efforts Senator Miller and his staff have made to ensure those interests are met in SB 107. Among other key provisions, SB 107 will:

- Restrict the export of recycled electronics to nations where the safety of workers handling the devices is not assured;
- Prevent the use of prisoners to dismantle electronic discards;
- Protect landfill workers from unnecessary exposure to wastes to retrieve electronics that are not recycled by citizens;
- Stabilize demand for electronics by limiting manufacturers' banking of credits; and
- Allow recyclers to charge fees to consumers if the supply of electronics exceeds the demand that can be accommodated at no charge.

We hope that SB 107 will be further improved by adjusting manufacturer reporting cycles so that the recycling targets are disclosed before recyclers and communities began collecting electronics to meet those targets.

WM Recycle America stands ready to assist your committee and the state of Wisconsin in developing a robust electronics-recycling infrastructure that will recapture the energy and resources locked in discarded TVs, computers and other electronic devices.

Thank you.



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JOHN H. ASHLEY, EXECUTIVE DIRECTOR

To: Senator Mark Miller, Chair
Members, Senate Committee on Environment
From: Sheri Krause, Wisconsin Association of School Boards
Date: April 14, 2009
Re: **Senate Bill 107: Recycling of Electronic Waste**
Seeking Amendment to Assist K-12 Schools with Recycling Costs

On behalf of Wisconsin's 426 school boards, we respectfully request an amendment to Senate Bill 107 to allow electronic waste collected from Wisconsin's K-12 schools to be counted toward manufacturers' recycling obligations. Such an amendment is intended to create a market for electronic waste generated by Wisconsin schools, and thereby reduce or eliminate the cost of recycling for K-12 schools.

As Wisconsin's educational system strives to be more efficient and implement new cost saving measures in the face of an uncertain economy – this simple amendment should allow Wisconsin schools to see an immediate savings on electronic waste recycling efforts.

Wisconsin schools purchase televisions, computers and other electronic equipment to assist in their efforts to educate students. The average lifespan of a new computer in a school is approximately five years. In addition, schools are often the beneficiaries of donated electronic equipment from businesses that are upgrading or replacing their own electronic systems. While greatly appreciated, donated equipment often has a shorter life span and can quickly become a liability for the school district. Properly disposing of electronic waste properly carries a cost, especially in rural areas of the state.

It is our understanding that based on recycling data obtained from the state of Washington and through discussions with administrators around the state, it is estimated that Wisconsin schools may generate over 75,000 pounds of electronic waste each month.

Please support an amendment to reduce or eliminate the cost of electronic waste recycling for Wisconsin schools. Thank you.



**WAUKESHA COUNTY
ENVIRONMENTAL ACTION LEAGUE**

Protecting Waukesha County's natural resources since 1978

Senator Mark Miller, Chair
Committee on Environment
300 Southeast Capitol
Madison, WI 53707

April 14, 2009

RE: Support for SB 107

Dear Senator Miller and Committee on Environment:

Waukesha County Environmental Action League (WEAL) is an all volunteer organization established in 1978 to protect Waukesha County's natural resources through dedicated grass-roots participation and action.

WEAL supports SB 107 because the Bill increases recycling, limits disposal, and promotes extended producer responsibly.

Since Waukesha County has two massive landfills; Emerald Park (Veolia) in Muskego, and Orchard Ridge (Waste Management) in Menomonee Falls, the passage of SB 107 will significantly impact Waukesha County resident's environment and health.

Banning electronic waste from landfills and incinerators coupled with adding responsibilities for manufacturers and retailers, demonstrates SB 107 is well-planned and incorporates the principal components for success.

WEAL urges the Committee on Environment to vote in favor of SB 107.

Sincerely,

Charlene Lemoine

Charlene Lemoine
Waste Issues Representative
Waukesha County Environmental Action League (WEAL)



P.O. Box 1532

Brookfield, WI 53008

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